



— BUREAU OF —
RECLAMATION

Quarterly Implementation-Update #8

Bipartisan Infrastructure Law (BIL, P.L. 117-58)

Inflation Reduction Act (IRA, P.L. 117-169)

June 8, 2023

Overview for today:



- Recap of Reclamation's BIL allocation
- Implementation backdrop
- Reclamation BIL projects and funding at work in 2023
- Funding opportunities – open, closed, still to come
- Any comments, questions & answers

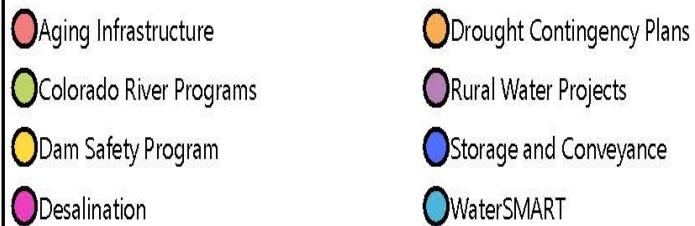
Construction on the Gila River Indian Community (GRIC), Arizona
March 2023. FY 2022 and 2023 BIL allocations totaling \$62.6
million to GRIC's Reclaimed Water Pipeline Project



Reclamation's BIL program:

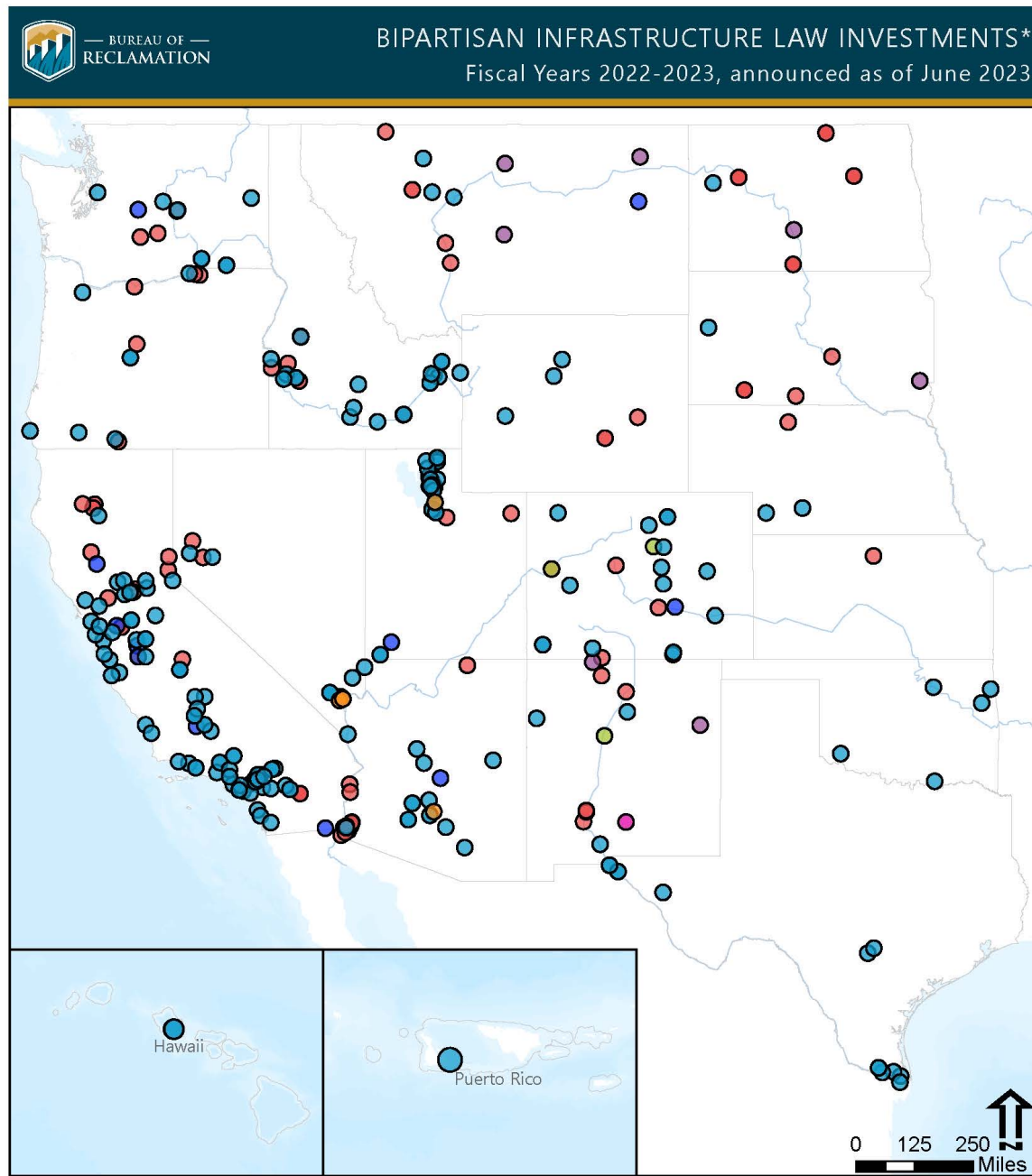
| Program area | BIL Section(s) | Program funding amount and type | Recipient type | Awarding process |
|---|------------------------|--|--|---------------------------------|
| New or expanded water storage & conveyance | 40901(1), 40902, 40903 | \$1.15 billion; contracts and competitive grants | Contractors and non-federal agencies | FAR contracting and competitive |
| Aging Infrastructure / Extraordinary Maintenance (XM) | 40901(2), 40904 | \$3.2 billion; contracts and grants | Contractors and non-federal agencies | Application/FAR contracting |
| Rural Water Projects (MT, ND, NM, SD, IA, and MN) | 40901(3) | \$1 billion; grants | Contractors, tribes and non-federal agencies | Financial Assistance |
| Water recycling and reuse | 40901(4), 40901(5) | \$1 billion; competitive grants | Tribes and non-federal agencies | Competitive NOFO |
| Desalination | 40901(5), 40908 | \$250 million; competitive grants | Tribes and non-federal agencies | Competitive NOFO |
| Safety of Dams | 40901(6) | \$500 million; contracts | Contractors and non-federal agencies | FAR contracting |
| WaterSMART Grants | 40901(7) | \$400 million; grants | Tribes and non-federal agencies | Competitive NOFO |
| Colorado River Drought Contingency Plans (DCPs) | 40901(8), 40906 | \$300 million; contracts and grants | Contractors, tribes and non-federal agencies | Discretionary awards and NOFOs |
| Cooperative Watershed Management | 40901(9) | \$100 million; grants | Tribes and non-federal agencies | Competitive NOFO |
| Aquatic Ecosystem Restoration | 40901(10) | \$250 million; grants | Tribes and non-federal agencies | Competitive NOFO |
| Multi-benefit projects for Watershed health | 40901(11), 40907 | \$100 million; grants | Tribes and non-federal agencies | Competitive NOFO |
| Endangered Species in the Colorado River | 40901(12) | \$50 million; contracts and grants | Contractors, tribes and non-federal agencies | Discretionary awards |

BIL execution to date, June 2023



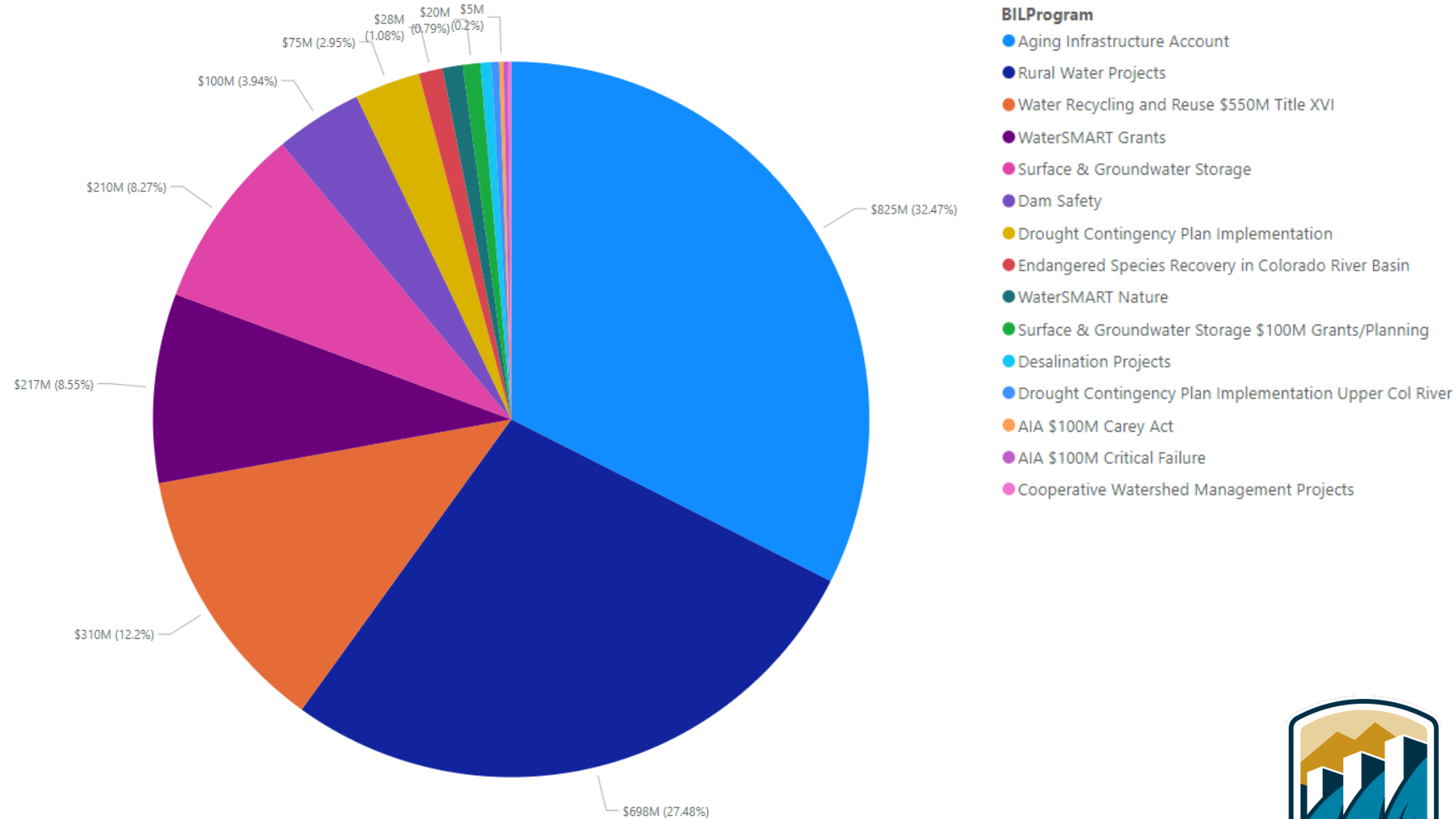
**Bipartisan Infrastructure Law also known as Infrastructure Investment and Jobs Act, IIJA*

Additional BIL/IIJA-funded project-level allocations will be announced during fiscal and calendar 2023.

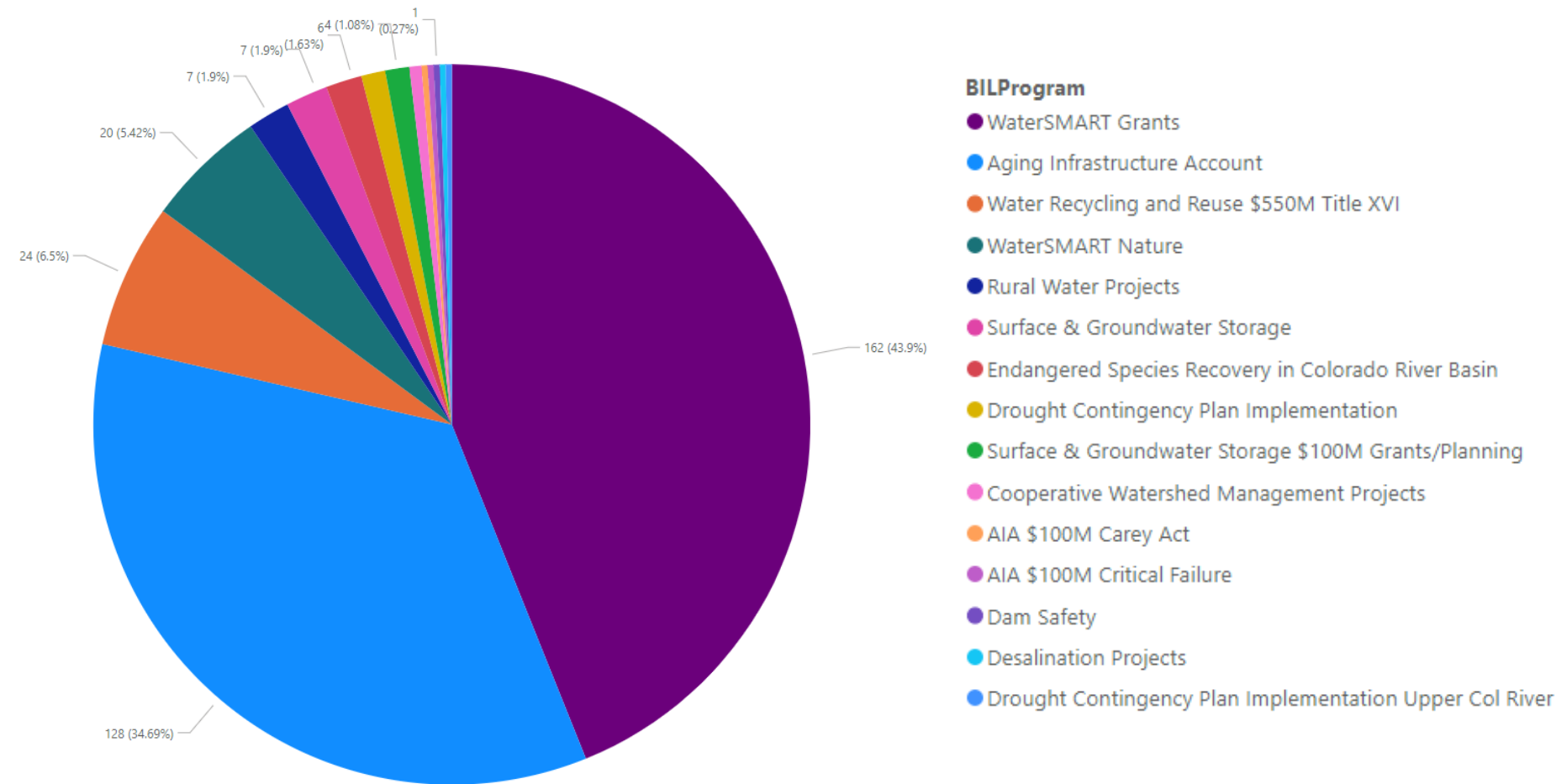


BIL funding allocated as of 2023:

- \$2.5 billion in BIL funding announced for specific projects to date
- Rural Water, Aging Infrastructure/XM and WaterSMART lead in dollar value



BIL number of projects by program, 2023:



Note: Rural water projects funded in more than one fiscal year.

- 369 projects awarded
- All 17 western states, plus Alaska, Hawaii, and Puerto Rico
- Aging Inf./XM and WaterSMART lead in number of projects



BIL status as of 2023:

- More than a dozen BIL or BIL-related funding opportunities (NOFO's or application cycles) issued to date
- New programs: Small Storage, Aquatic Ecosystem Restoration, and Environmental Water Resources Projects, Planning & Design
- More BIL NOFO's on the way for the rest of 2023



Arkansas Valley Conduit pipe delivery, near Pueblo, Colorado, March 2023.



BIL funding opportunities 2023:

- Aquatic Ecosystem Restoration Program NOFO (open through 6/1/23, with second application period January 2024)
- Applied Science Grants (forecasting & modeling tools, etc.) (~June 2023)
- Drought Resiliency Projects (~July 2023)
- Large-Scale Water Recycling (~late July 2023)
- Title XVI Authorized projects (~late July 2023)
- Title XVI WIIN projects (~late July 2023)
- Desalination Construction (~late July 2023)
- Cooperative Watershed Management Program (~July 2023)
- Planning and Design (~July 2023)
- Water and Energy Efficiency Grants (~August 2023)
- Small Storage (second application period) (~Summer or Fall 2023)



BIL projects / funding at work in 2023:



City of Nampa, Idaho, recipient of a \$3 million BIL-funded FY 2022 Title XVI award for the city's Water Recycling Program, pictured at construction site visit, May 2023

Dozens of BIL-funded projects are in active implementation as of June 2023

Reclamation also participates with DOI on the Ecosystem Restoration Program (BIL Section 40804)



BIL projects / funding at work in 2023:

- Strong participation and application response
- All WaterSMART funding opportunities are open to tribes



Navajo-Gallup Project, Pump Plant 7, New Mexico. BIL funding of \$123 million in FY 2022 and \$139 million in 2023. Pictured at PP 7 final construction site visit, March 2023



BIL projects / funding at work in 2023:

Unprecedented investments in Aging infrastructure/ extraordinary maintenance needs underway now




New York Canal, Boise Project, Idaho. FY 2022 and FY 2023 BIL allocations (WaterSMART and Aging Inf.) total \$16 million for New York Canal. Pictured at site visit, May 2023



Funding opportunities:

- BIL funding opportunities all year
- Info disseminated via both 'push and pull'
- Customized alerts at usbr.gov/bil



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☐ Inflation Reduction Act

☐ WaterSMART

☐ Colorado River

☐ All Reclamation News Releases



Buy America: covered Reclamation programs

Covered:

- WaterSMART:
 - Title XVI Projects
 - Desalination Construction Projects
 - Large-Scale Recycling
 - Drought Resiliency Projects
 - Water and Energy Efficiency Grants
 - Small-Scale Water Efficiency Projects
 - Environmental Water Resources Projects
- Aquatic Ecosystem Restoration
- Aging Infrastructure / XM
- Rural Water
- Water Storage & Conveyance
- Other programs that include funding for infrastructure

Exempt:

- PL 93-638 Indian Tribes & Tribal Organizations
- 2021 Conservation Service Corps
- Fishing Events
- WaterSMART planning activities (Drought Contingency Planning, CWMP Phase I, Applied Science Grants, Water Marketing)
- Research & Development/Science & Technology



Buy America: BOR waivers to date

- WaterSMART General Applicability Waiver (15.504,15.507 & 15.514) (open for public comment through 6/8/23)
- DOI Small Grants Waiver (\$250,000), approved through 2/20/2028
- DOI De Minimus Purchases Waiver (5% of project costs, max of \$1 million) approved through 2/20/28
- AMI Capable Water Meters – Santa Clarita Valley Water Agency
- AMI Capable Water Meters – City of Rialto



Other activities in implementation:

BIL Announcements

| | |
|-------------------|--|
| May 3, 2023 | Secretary Haaland Announces \$12.6 Million from Bipartisan Infrastructure Law for Desalination Research Facility in Southern New Mexico |
| May 1, 2023 | Biden-Harris administration to replace Leadville Mine Drainage Tunnel Treatment Plant |
| April 28, 2023 | Biden-Harris Administration breaks ground on Boone Reach trunk line of Arkansas Valley Conduit |
| April 21, 2023 | Biden-Harris Administration Announces Over \$140 Million for Water Conservation and Efficiency Projects in the West |
| April 6, 2023 | Biden-Harris Administration Announces \$20 Million from Bipartisan Infrastructure Law for Drought Resilience Projects in California and Utah |
| April 5, 2023 | Biden-Harris Administration Announces Nearly \$585 Million from Bipartisan Infrastructure Law to Repair Aging Water Infrastructure, Advance Drought Resilience |
| March 14, 2023 | Biden-Harris Administration makes \$30 million in Bipartisan Infrastructure Law funds available to restore and protect aquatic ecosystems |
| February 22, 2023 | View Reclamation's webinar on the Small Storage Program. The Small Storage Program provides funding for surface and groundwater storage projects between 200 and 30,000 acre-feet. |
| February 13, 2023 | Biden-Harris Administration Delivers \$728 Million in Historic Investments to Address Western Drought, Improve Climate Resilience |
| January 24, 2023 | Biden-Harris Administration makes \$80 million in Bipartisan Infrastructure Law funds available for projects that conserve water and improve watershed health |
| January 5, 2023 | Biden-Harris Administration invests \$7 million in 82 projects to improve water efficiency |
| December 22, 2022 | Biden-Harris Administration Invests More Than \$84 Million in 36 Drought Resiliency Projects |

Timeline excerpt of major BIL milestones with links to relevant announcements or funding lists. www.usbr.gov/bil

- Colorado River drought – more than \$1.7 billion from BIL allocated to 236 projects in the Colorado River Basin
- BIL allocations in the CO Basin span Endangered Species, Drought Relief, Aging Infrastructure and more
- More BIL allocations forthcoming specific to CO Basin



Inflation Reduction Act

Sec. 50233 Drought Mitigation in Reclamation States

\$4,000,000,000 to mitigate drought impacts, with priority given to the Colorado River Basin and other basins experiencing comparable levels of long-term drought.

- (1) Compensation for a temporary or multiyear voluntary reduction in diversion of water or consumptive water use.
- (2) Voluntary system conservation projects that achieve verifiable reductions in use of or demand for water supplies or provide environmental benefits in the Lower Basin or Upper Basin of the Colorado River.
- (3) Ecosystem and habitat restoration projects to address issues directly caused by drought in a river basin or inland water body.

Funding is available through FY2026



Lower Colorado River Basin System Conservation and Efficiency Program

- A. Proposals for system conservation resulting in additional volumes of water remaining in Lake Mead at a set price of:
- One-Year agreement: \$330 per acre-foot
 - Two-year agreement: \$365 per acre-foot
 - Three-year agreement: \$400 per acre-foot
- B. Proposals describing lower Colorado River Basin water conservation plans resulting in reductions in consumptive use.
- Price per acre-foot based off an economic justification; proposed conservation amount and duration; and verification methodologies.

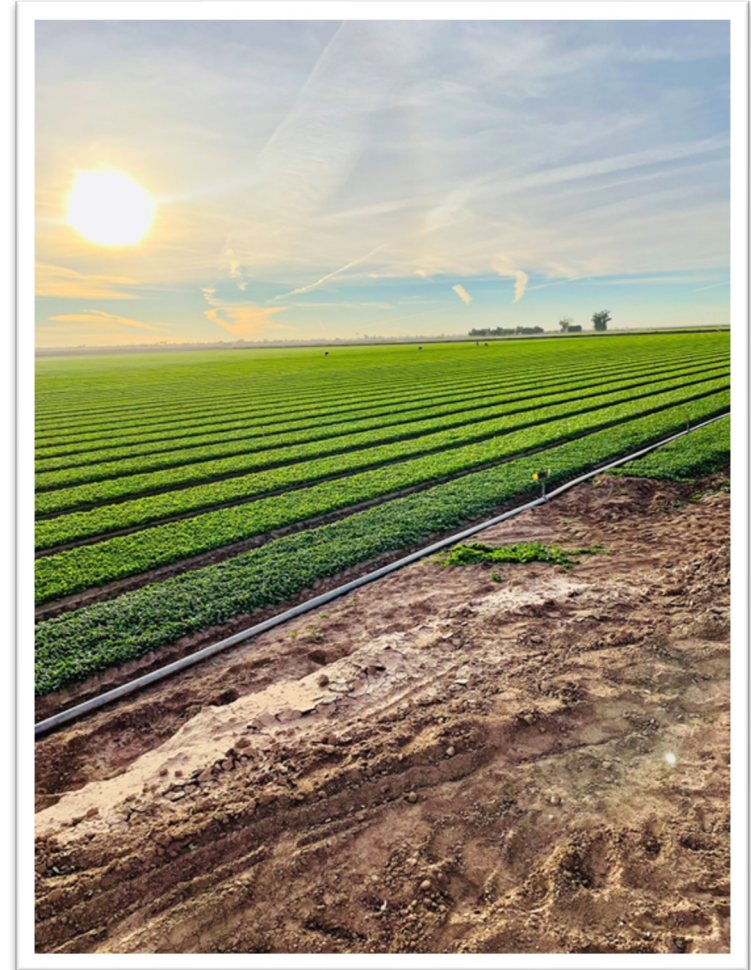


Lower Colorado River Basin System Conservation and Efficiency Program

Long-term system efficiency improvements that will result in multi-year system conservation based on:

- Quantifiable, verifiable water savings in Lake Mead
- Additional water to the applicant's water supply enabling a consumptive use reduction
- Viability for full implementation, including by demonstrating financial and technical capability
- Monitoring to ensure the proposed benefits to the system are realized

Funding opportunity is OPEN and proposals are due by July 19



Upper Colorado River Basin System Conservation Pilot Program

1. System Conservation Pilot Program 1A & 1B
 - \$125M through 2026
 - \$16.6 million allocated in 2023
2. Long-term efficiency projects Pre-Solicitation will be released by the end of June.
 - Efficiency project criteria will mirror the Lower Basin's efficiency program

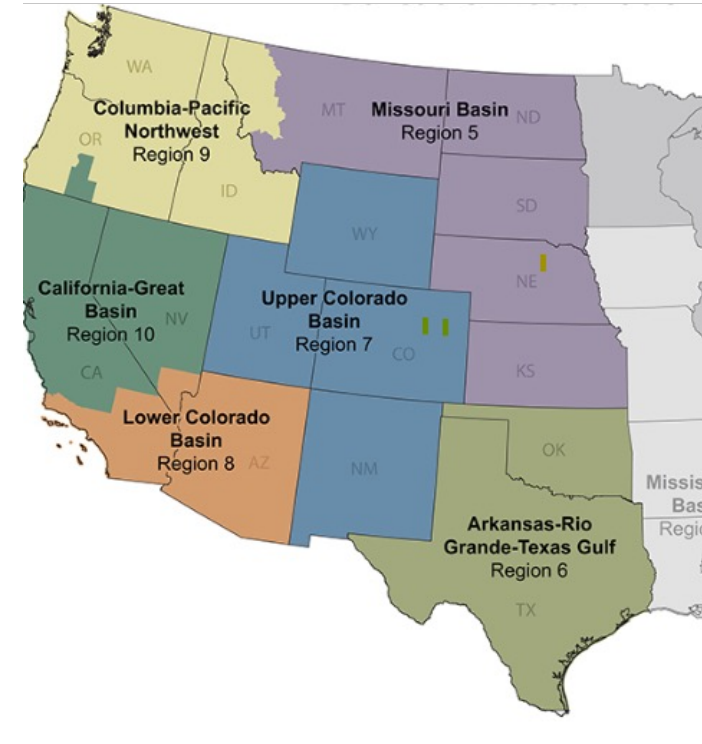


Inflation Reduction Act

Sec. 50233 Drought Mitigation in the Reclamation States

BASINS OTHER THAN THE COLORADO RIVER:

Reclamation will soon develop programs to help mitigate the effects of the drought in other basins experiencing comparable levels of long-term drought in Reclamation States.



Inflation Reduction Act

Sec. 50231. Domestic Water Supply Projects

\$550 million available through September 30, 2031, for up to 100 percent of the cost of the planning, design, or construction of water projects to provide domestic water supplies to communities or households that do not have reliable access to domestic water supplies



- Reclamation recently announced an allocation of \$5.5M to U.S. Territories (Guam, American Samoa, US Virgin Islands, and Northern Mariana Islands)
- Reclamation is currently developing a program for the remainder of the funds



Inflation Reduction Act

Sec. 50232. Canal Improvement Projects

\$25,000,000 through Sept. 30, 2031, for the design, study, and implementation of projects (including pilot and demonstration projects) to cover water conveyance facilities with solar panels.

Reclamation plans to issue a funding announcement in late Summer 2023



Inflation Reduction Act

Sec. 80004. Emergency Drought Relief for Tribes

Reclamation is authorized to provide \$12.5 million in emergency drought relief funding to federally recognized Indian Tribes in the 17 western states impacted by Reclamation water projects.

Funding is available through September 30, 2026

Reclamation plans to solicit proposals this summer.



Closing comments:



Minidoka Irrigation District's Lateral 24 piping project, Minidoka Project, Idaho, May 2023

- BIL/IRA are underway now
- Funding opportunities, internal formulation, application periods, and spend plans translating into progress on the ground
- Success through partnerships, collaboration, focus on performance and results

Additional Information

- BIL Resources: www.usbr.gov/bil – see the FAQ's or E-mail us at usbr.bil@usbr.gov
- IRA Resources: www.usbr.gov/inflation-reduction-act or E-mail us at usbr.ir.act@usbr.gov
- WaterSMART Resources: <https://www.usbr.gov/watersmart/>

Thank you!



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